

Vehicles

10027

MEMORANDUM FOR: Director of Logistics

**SUBJECT: Congressional Limitation on Prices for
Passenger-carrying Vehicles**

25X1 1. During the past several months, we have discussed the subject of the statutory limitation of \$1500 on the purchase of passenger-carrying vehicles with the Government Accounting Office, appropriate Congressional committee staffs and the Bureau of the Budget. During this time, we have been in touch with the legal advisor of the Office of Logistics and more recently with [redacted] whose memorandum on this subject was forwarded to this office by you on 12 February 1962.

25X1 2. Your memorandum suggests three possible alternative solutions to the problems which you described in the Agency's adhering to the \$1500 limitation. Your first solution was to obtain legislative authority to exceed the \$1500 limitation by at least \$300. The second was to obtain a decision from the Comptroller General as to whether this limitation applied only to the purchase of vehicles for use in the United States. [redacted]

3. Your memorandum indicates that the Department of Justice, Treasury Department and the National Park Service are not bound by the general limitation on the purchase of passenger-carrying vehicles. These departments are generally bound by the limitation but, from time to time, obtain additional funds in appropriation legislation for vehicles which are used in special situations. For instance, the Department of Justice and Treasury obtain additional allotments for outfitting vehicles

for police-type work. The Department of Interior obtains a similar allotment for police vehicles used by the National Park Service. The Department of State is permitted certain exceptions from this limitation in connection with the purchase of vehicles which may be justified for "prestige" purposes.

4. The Bureau of the Budget has resisted numerous proposals to increase the general limitation and from all indications will continue to do so, particularly since the development of the smaller, compact cars. While the Bureau would be willing to listen to any proposal which this Agency might wish to make, it is our impression that the Agency does not have a general problem of sufficient magnitude as to warrant special legislation. If you feel that we do have a serious problem in this area, we will be pleased to discuss it further.

JOHN S. WARNER
Legislative Counsel

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